

SENATE BILL 1813

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 24  
and Title 29, relative to the recovery of certain tort  
damages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 29, Chapter 39, is amended by adding  
the following language as a new part:

**29-39-201.** This part shall be known and may be cited as the "Phantom  
Damages Elimination Act".

**29-39-202.** The purpose of this part is to prevent compensatory damage awards  
for medical expenses from including amounts that the claimant has not and will not pay  
for medical care or treatment provided to the claimant.

**29-39-203.** In a civil action to recover damages resulting from death or injury, the  
economic damages that may be recovered by a claimant for reasonable and necessary  
health care services or treatment received shall include only:

(1) Amounts actually paid by or on behalf of the claimant; and

(2) Amounts actually necessary to satisfy unpaid charges still due and  
payable to the health care service provider for which the claimant or a third party  
on behalf of the claimant has a legal obligation to pay.

**29-39-204.** Unpaid charges under § 29-39-203(2) shall not exceed amounts  
customarily accepted by health care service providers for the health care services or  
treatment at issue in satisfaction of a patient's bill.

**29-39-205.** The gross amounts of a claimant's medical bills are inadmissible as evidence of damages where the gross amounts of the bill are not reflective of the actual amounts paid or that remain actually owed to satisfy those bills.

**29-39-206.** This part is in addition to, and does not otherwise affect, any other limitation on damages.

SECTION 2. This Act shall take effect July 1, 2018, the public welfare requiring it, and shall apply to any applicable civil action for damages occurring on or after the effective date of this act.